

## Survival Guide for Charities

### Recovery and turnaround from COVID-19 at this difficult and uncertain time.

This unforeseen rapid pace of change requires a rapid and agile response. Charities will need to plan on how best to prepare and deal with this unprecedented crisis. The implications of COVID-19 will create a financial crunch and charities should now do what they can to prepare for this.

The activities and actions listed below, are a few things you may want to consider. Charities need to identify what needs to be done to overcome the escalating events and how to recover from the impact of the crisis. Bear in mind that things are changing all the time, so it is important to keep up to date with links to key information shown at the end of this Guide.

### 1. Money Management

- Focus on Cash flow management. Sustainability has switched to Survivability.
- Create a 6 months' forward cash flow that is a living document, stamped "best current view" which can be changed to adapt to rapidly changing situations.
- Know what your fixed costs are and when you will need to pay them.
- Delay committing to any expenditure that you can.
- Chase all outstanding debts.
- Invoice for all services already delivered and then ensure that these invoices are paid.
- If you are receiving statutory or private funding, submit any required reports on time to make sure that you receive future instalments on time.
- Speak to funders, both private and statutory.
- Give your statutory funders an update on how you are delivering on the work that they fund to ensure they continue funding.
- Talk to your bank manager and see if they will offer you an overdraft facility (even if you don't need one right now).
- If you have loan repayments, the lender may be willing to delay the capital repayment.
- Implement a recruitment freeze on all vacant posts.
- You may want to budget for increased contingency costs over the next financial year
- If you have cash flow problems, talk to the Revenue Commissioners now as you may be able to avail of phased payments of Income tax and VAT.
- Fundraising and earned income will be the worst hit sources of funds. If this income is key to continuity of the charity, look for state support which is continually changing. Consider putting out social media appeals, if appropriate, for the charity.

### 2. People Management

- Protect and safeguard your staff, volunteers and beneficiaries.
- Obtain guidance on conditions for remote working to ensure you are not risk exposed.
- Working from home carries responsibilities that the charity needs to be aware of. Wellbeing of staff working from home is a contractual duty of Directors as employers. The Health and Safety Authority has created a [FAQs for employers and employees in relation to home-working on a temporary basis](#).
- The Data Protection Commission has released new guidance on data protection and privacy concerns relating to the Coronavirus outbreak - [Full details here](#).
- Don't delay if you need to lay off staff. This may be the most sensible option if you are unable to deliver your activities.
- Explore the fairest way to cut staff costs such as – seek acceptance of wage cuts or working shorter hours or maybe offering some voluntary hours. You may be surprised how supportive staff will be to retain the charity's continuity.
- Show duty of care to staff and support them through any trauma of lay-off and remember you may be glad to re-employ them in the future. You may be left with no option but to

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place employees on lay-off due to the unprecedented circumstance. The Revenue Commissioners have produced a guide with FAQs on the Wage Subsidy Scheme: <https://revenue.ie/en/employing-people/documents/pmod-topics/guidance-on-operation-of-temporary-covid-wage-subsidy-scheme.pdf>

## 3. Board responsibilities

- See details of what the board needs to do now on <https://www.carmichaelireland.ie/resources/what-boards-need-to-do-now/>.

## 4. Managing the Charities Activities

- Try not to cut front line services. Reduce the level if funds are not available.
- Communicate to your clients and let them know you are supporting them.
- Communicate frequently on your situation to statutory funders and look for grant front loading if there is a risk of cutting off essential services. Let funders know the impact on clients if your service has to be cut off.
- Use every form of social media available to get your messages out promptly and regularly.
- Support your front line staff who may be working under unprecedented pressure.
- Look for volunteers (if appropriate) for your service, but make sure you can manage and support them.
- You may face increased need for support from people who rely on your organisation. You may also face increased costs if the impact on global trade continues. Speak to your funders about the impact of cancelling or delaying project activities which are part of funding agreements
- Avail of the Government support **COVID-19 Community Outreach (CCO)**, coordinated by The Wheel and Irish Rural Link which will link and support the work of community and voluntary organisations who are responding to meet the needs of communities during the COVID-19 crisis.

## 5. Survival

- Talk to your insurance broker about your cover for business continuity, event cancellation, or other cover.
- Examine all contracts of future commitments that are signed such as lease agreement on property. It may be worth seeking a rent abatement or forbearance from the landlord. If you have a good payment history this may be easier than you think. If you vacate, a new tenant will be difficult to get for some time.
- Develop a contingency plan and a Risk Management Policy if you do not have one. Check out the Charities regulator's [Risk management template](#).
- If the Board/Trustees foresee that the organisation will be unable to pay its debts and the value of its assets are less than the charities liabilities, then trustees should consider guidance on solvency. See: <https://www.revenue.ie/en/starting-a-business/paying-your-tax/insolvency.aspx>.

## Useful Help

[COVID-19 Community Outreach \(CCO\)](#). The government announced a series of supports that will be rolled out across the country to support those most affected. Among these supports is COVID-19 Community Outreach (CCO), which is coordinated by The Wheel and Irish Rural Link, and funded by the Department of Rural and Community Development. CCO will link and support the work of community and voluntary organisations across Ireland who are responding to meet the needs of communities during the COVID-19 crisis. If your organisation is currently supporting vulnerable people in the community, or if you are planning to do so, we urge you to contact your local Community Champion as soon as possible. Visit [www.wheel.ie/covid-19-community-outreach](http://www.wheel.ie/covid-19-community-outreach) for your local Community Champion's details.

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[The Charities Regulator](#) is currently open and working on ways to continue its regulatory work and provide supports to Irish charities. However, they are operating with fewer resources and therefore it will take longer than usual to answer queries and process applications. They have set up a useful [FAQ section on their website](#).

[Carmichael](#) has a range of resources and supports for non-profits, including [eLearning](#).

## **Useful Links**

- [World Health Organization](#) (WHO)
- [European Centre for Disease Prevention and Control](#) (ECDC)
- [Health Protection Surveillance Centre](#) (HPSC)
- [HSE Covid19 page](#)
- Government [Covid19 page:/](#) (including travel advice)
- [Department of Business and Enterprise page](#)
- [DEASP to avail of short-time work support](#)
- [Phased Payment Facility](#)
- COVID-19 Workplace Protection and Improvement Guide from NSAI is available [here](#).
- Government list of essential services. Read in full [here](#).
- The most up to date government advice is available [here](#).
- Visit [www.wheel.ie/covid-19-community-outreach](http://www.wheel.ie/covid-19-community-outreach) for your local Community Champion's details.
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